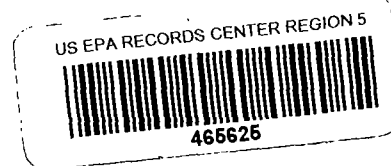


WALTER & HAVERFIELD LLP



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February 21, 2003

VIA FACSIMILE

Thomas C. Nash
Associate Regional Counsel
U.S. EPA - Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

Re: Chemical Recovery Systems Superfund Site in Elyria, Ohio
CERCLIS ID # OHD 057 001 810

Dear Mr. Nash:

This letter supplements Sherwin-Williams' letter of December 13, 2002, to you regarding its concerns about information relied on by TechLaw and its use in proposed de minimis settlements. Sherwin-Williams understands that U.S. EPA has sent De Minimis Settlement Offers to certain potentially responsible parties (PRPs) associated with the CRS Site. As part of the group that would be performing the RI/FS for the CRS Site, we have a substantial interest in the de minimis settlement process.

Sherwin-Williams is interested in ensuring that PRPs with a significant relationship to the Site are not allowed to cash-out before the remedy has been identified. These early de minimis settlement offers apparently rely on an estimate of total site costs that has been developed without the benefit of the remedial investigation data. There is no basis in the record to develop a remedial cost estimate, and the cost estimate used by EPA effectively does not include any costs for remedy work. At this time, estimated costs through the RI/FS stage will likely reach EPA's total site cost estimate. Therefore, a significant risk remains that the estimated site cost used to value the de minimis settlements will be too low to cover the actual site costs, even with a significant premium. Given these facts, we need to understand the basis for any site remedial cost estimates as one significant factor in consideration of any settlement. Moreover, given the lack of evidentiary basis of alleged site records and unsupportable assumptions regarding such records, EPA cannot say which parties might be truly de minimis.

It also should be noted that EPA has not notified a number of alleged significant parties and there are a number of alleged significant parties who are not part of the CRS Group. Any de minimis settlement must first be based upon the number of parties that are viable and participating. The CRS Group currently absorbs a substantial amount of volume that it is not responsible for and should be removed before a settlement is considered. If nonparticipating volume parties are not first removed, the remaining CRS Group members would be significantly and inappropriately subsidizing the settlement.

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Thomas Nash
February 21, 2003
Page 2



At the outset, we reiterate our concerns that there is an insufficient evidentiary basis for TechLaw to rely on various records or to adopt the methodology for calculating volume that it used. TechLaw attributes total volume below 1% to the following PRPs, but they should not be offered de minimis settlements at this time because evidence exists that indicates that they contributed significantly to the Site. For example, the following companies are over the 1% threshold based on the accounts receivable records:

Lake Shore Industries	Accounts Receivable Records (2.916%)
Whirlpool	Accounts Receivable Records (1.325%)
Basic Packaging Systems	Accounts Receivable Records (2.603%)
Ball Chemical Co.	Accounts Receivable Records (1.198%)
Cuyahoga Chemical Co.	Accounts Receivable Records (1.448%)
Ohio Formulators	Accounts Receivable Records (1.563%)
Chrysler Plastic Products	Accounts Receivable Records (1.121%)
Mobil Chemical Co.	Accounts Receivable Records (1.572%)
Fisher Price Toys	Accounts Receivable Records (1.448%)

Also, while there is no evidentiary basis to use dirty inventory records and purchase payment records in any settlement, by way of illustration using TechLaw's calculations, the following companies would be over 1% based upon these records:

Ecology Chemical	DI/104(e) Records (1.735%)
Chem Central	DI/104(e) Records (1.386%)
Dexter Corp.	DI/104(e) Records (1.414%)
Body Brothers	DI/104(e) Records (1.534%)
DuPont	DI/104(e) Records (1.208%)
Carter Oil Co.	DI/104(e) Records (1.168%)

and

American Chemsol	Purchase Payment Journals (1.848%)
Chemetron Process Equipment	Purchase Payment Journals (2.391%)
Parke-Davis & Co.	Purchase Payment Journals (1.749%)
P&K Oil Service, Inc.	Purchase Payment Journals (1.451%)
Checkmate Boats	Purchase Payment Journals (1.273%)

The drastic change in the potential makeup of the de minimis group, depending upon which set of records is chosen, demonstrates the inappropriateness of making such important decisions at this early stage of evidentiary development. In addition, experience at other CERCLA sites informs us that the status of information about volume and contribution can be expected to change significantly from what might be determined based upon 104(e) responses to what will be developed as discovery proceeds. The various sets of records for this site have not even been authenticated,

WALTER & HAVERFIELD LLP

Thomas Nash
February 21, 2003
Page 3



which leaves questions regarding their relative veracity. Eligibility for a de minimis settlement should be restricted to only those PRPs which fall below the 1% threshold for any type of record

PRPs should also be excluded from de minimis settlement if USEPA has reason to believe that they sent wastes that will impact the site and/or the costs of cleanup disproportionately to their volume. Those PRPs who may have sent PCBs, PAHs, or chlorinated solvents should be ineligible for de minimis settlements at this time.

Finally, we are interested in ensuring that the money collected is used to cover costs related to the CRS Site. We understood from our AOC negotiations that the proceeds from the de minimis settlements will be placed in a separate account designated for CRS Site costs. Please send me information regarding this account and how it will be set up to assure that the funds in it will be designated exclusively for CRS Site costs. To the extent that any settlement generates more funds than U.S. EPA has actually spent at this Site, the proceeds should be available to offset the costs associated with the RI/FS and the RD/RA work at the Site.

For the reasons discussed above, including use of unauthenticated and unexplained records, an arbitrary methodology, and an unsupportable site cost basis, we respectfully urge EPA to withdraw the de minimis settlement offers. Please include this letter in the Administrative Record for the site.

Very truly yours,

A handwritten signature in black ink, appearing to read 'John A. Heer', with a long horizontal line extending from the bottom left of the signature.

John A. Heer